

**Senate File 2127 - Introduced**

SENATE FILE 2127

BY BROWN

**A BILL FOR**

1 An Act relating to an extension granted by the economic  
2 development authority for certain agreements with eligible  
3 housing businesses.

4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. 2014 Iowa Acts, chapter 1130, section 43,  
2 subsection 1, as amended by 2015 Iowa Acts, chapter 138,  
3 section 86, and 2016 Iowa Acts, chapter 1109, section 13, is  
4 amended to read as follows:

5 1. On or after ~~the effective date of this division of~~  
6 ~~this Act~~ May 30, 2014, a city or county shall not create an  
7 enterprise zone under chapter 15E, division XVIII, or enter  
8 into a new agreement under chapter 15E, division XVIII, unless  
9 otherwise authorized in ~~this Act~~ 2015 Iowa Acts, chapter 138,  
10 section 85.

11 a. A city or county and the economic development authority,  
12 with the approval of the economic development authority board,  
13 may amend an agreement for compliance reasons if the. The  
14 amendment does shall not increase the amount of incentives or  
15 change the type of incentives originally awarded under the  
16 agreement.

17 b. A city or county and the economic development authority,  
18 with the approval of the economic development authority board,  
19 may approve an extension for an agreement with an eligible  
20 housing business, pursuant to section 15E.193B, Code 2014,  
21 to complete the housing business' building or rehabilitation  
22 project if the project is located in a county that meets the  
23 distress criteria described in section 15E.194, Code 2014,  
24 and there remains a demonstrated need for housing within a  
25 community in the county. The agreement extension shall be for  
26 a maximum of one year from the date the extension is granted  
27 and only one extension shall be permitted. The agreement  
28 extension shall not increase the amount of incentives or change  
29 the type of incentives originally awarded under the agreement.

30 EXPLANATION

31 The inclusion of this explanation does not constitute agreement with  
32 the explanation's substance by the members of the general assembly.

33 This bill relates to an extension granted by the economic  
34 development authority for agreements with eligible housing  
35 businesses. The authority's program to provide incentives

1 and assistance to eligible housing businesses to build or  
2 rehabilitate single-family homes, or multiple dwelling unit  
3 buildings, in economic development enterprise zones pursuant to  
4 Code section 15E.193B, Code 2014, was terminated in 2014 when  
5 Code section 15E.193B was repealed.

6 Under the 2014 law, agreements with eligible housing  
7 businesses required the project or rehabilitation to be  
8 completed within two years of the date the eligible housing  
9 business began the building or rehabilitation. The bill  
10 allows an extension to be granted by the economic development  
11 authority, as approved by the economic development board,  
12 for up to one year from the date the extension is granted  
13 for the eligible housing business to complete its building  
14 or rehabilitation project. The bill provides that only one  
15 extension may be granted and only for a project in a distressed  
16 county within a community with a demonstrated need for housing.  
17 The bill prohibits the agreement extension from increasing  
18 the amount of incentives or the type of incentives originally  
19 awarded under the agreement.